March 26, 2015

International Tax Working Group
Finance Committee
United States Senate

Re: International Individual Income Tax; American Overseas

Honorable Senators,

I am an American citizen who has lived continuously in Hong Kong for the past 14 years. As a US citizen I vote in Portland, Oregon. US taxation and especially FATCA are making my and my family's life hell. One bank has already informed us they will close our account. Others refuse us investment and mortgage services. **We are ready to renounce our citizenship *and become Chinese citizens*** because of the way the IRS treats us like criminals.

I wish to make the following proposals for tax reform.

Regarding taxation of US citizens abroad:

This must end. I propose that any US citizen who remains continuously abroad for three (3) years should be exempt from US income taxes and filing requirements (including bank account filing requirements under FBAR and FATCA).

For example, the citizen is responsible for filing IRS forms (while still getting the 2555 and foreign earned income exemptions) and paying taxes (if owed) for the first 3 years residence abroad. Thereafter, he registers with the IRS as a Tax Exempt US Citizen Abroad, proves that he/she has been compliant in all taxes paid and forms filed, and thereafter is free of US filing requirements. This can be construed as reasonable, since expatriates on 2-year contracts are generally only temporary in their intentions and their thinking, and those staying longer are generally more committed to remaining outside the US longer-term. I still believe NO US person should file or pay US taxes when living abroad, but I think redefining a "bonafide foreign resident" as someone abroad more than 3 years might possibly be a solution palatable to all.

Regarding FBAR and FATCA:

Same as above. However, adding a three-year rule imposes even more complexity on foreign financial institutions. For this reason, I strongly advocate the total repeal of FATCA.

Thank you for your attention.

Sincerely,
Barbara Quinton
USA voting address: [redacted]

(no USA telephone number)
Email: [redacted]